IDBI in Madhya Pradesh

2292. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) the number of applications received by the Industrial Development Bank of India (IDBI) from the entrepreneurs of Madhya Pradesh during the last three years, year-wise;

(b) the number of applications accepted and rejected during the said period and general reasons which were assigned to the rejection of applications; and

(c) the details of financial assistance provided to industries in Madhya Pradesh by IDBI during the said period, year-wise and unit-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (c) The information is being collected and will be laid on the Table of the House to the extent available and permissible under the Rules.

Bank of England Failure to Save Indian Banks

2293. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the newsitem captioned Bank of England fails to save Indian Banks which appeared in the "Hindustan Times', New Delhi, dated the 5th March, 1995; and

(b) if so, what is the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) Reserve Bank of India has intimated that the banks referred to in the news item are not Indian banks. These banks were UK incorporated banks promoted primarily by Indians of East African origin.

Lapsed Life Insurance Policies

2294. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) what is the number of life insurance policies that lapsed during the period from 1989 to 1993 (year-wise) resulting in the forfeiture of bonus to the policy holder;

(b) what is the extent of business recorded by the LIC during the period 1986-87 to 1991-92 (year-wise) showing the number of policies that lapsed within a period of year; and

(c) what measures have been taken by Government to tackle the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) LIC have informed that the number of lapsed policies during the period from 1989 to 1993 (year-wise) are as here under:

Year	No. of policies lapsed
1988-89	12,30,275
1989-90	16,16,430
1990-91	20,40,315
1992-92	24,12,307
1992-93	27,91,475

(b) The information is given in the statement (*see* below).

(c) In order to reduce the incidence of lapsation, the LIC send notices well before the due dates of premium and allow grace periods for payment of premium beyond the due date. If the premium remains unpaid for three months beyond the due date a Default Notice is sent. A final notice is sent intimating the lapsation of policy and advising the policyholder to revive the same under various Revival Schemes of LIC. The Development Officers and Agents of LIC are regularly given the list of the lapsed policies to enable them to personally meet the policyholders and help them revive the policies. Special Revival Campaigns are also floated periodically through advertisements in local newspapers and display of banners.

Statement

New Business recorded by LIC during the period 1986-87 to 1991-92 (year-wise) alongwith number of policies lapsed with mean '0' duration & '1' duration.

Year	No. of policies	Sum Assured (Rs. in crores)	'0' Duration (Number of policies)	'1' Duration
1986-87	38,68,318	9,067.45	39,639	7,56,958
1987-88	46,93,788	12,434.51	61,404	8,38,749
1988-89	59,79,260	17,222.84	53,170	10,76,051
1989-90	73,92,251	23,219.53	67,912	13,04,316
1990-91	86,45,386	28,139.07	85,086	14,46,826
1991-92	92,38,268	32,064.44	1,22,464	16,41,139

NOTE: Mean Duration is year of lapse minus year of New Business.

Withdrawal of IDBI Public Issue

2295. SHRI BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the IDBI public issues were with-drawn by Government;

(b) if so, what is the total amount of with-drawn issues involved;

(c) the date on which the IDBI issues were opened and the date on which the issues were withdrawn; and

(d) what are the reasons for withdrawing the IDBI issues?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (d) The Industrial Development Bank of India (IDBI) has taken preliminary steps to launch public issue on January 27, 1995. However, as the Industrial Development Bank of India (Amendment) Bill which was passed by the Lok Sabha on 19th December, 1994 could not be considered by the Rajya Sabha during the last winter session of Parliament, the public issue was postponed.

(b) The size of the public issue planned (including premium) was Rs. 2184 crore.

(c) Does not arise in view of answer to (a) & (d) above.

Rise in Price Index

2296. DR. BAPU KALDATE:
SHRIMATI KAMLA SINHA:
Will the Minister of FINANCE be pleased to state:

(a) what is the percentage of rise in the price index since the beginning of January, 1995 till 15th March, 1995;

(b) what is the percentage of rise in the inflationary rate during the period and how does it compare with the corresponding period in 1994;

(c) what are the major causes attributed for the rise in the price index and the inflationary rate; and

(d) the measures taken by Government to contain the price index and the continued inflationary trend?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) and (b) The movement in the wholesale price index since beginning of January, 1995 till 4th March, 1995 upto which date the index is available is listed below:

Week ending (Date)	Percentage change in financial year	Annual Inflation Rate %	%
		1994-95	1993-94
7.1.95	9.2	11.9	9.2
14.1.95	8.4	10.6	9.5
21.1.95	8.9	11.1	9.1
28.1.95	9.2	11.6	9.0
4.2.95	9.6	11.4	9.5
11.2.95	9.8	11.5	9.4
18.2.95	10.1	11.5	9.3
25.2.95	10.1	11.4	9.5
4.3.95	9.9	10.5	10.3